

# News Release



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Employee Benefits Security Administration  
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## **Court Replaces Trustees of Defunct West Hills Union Health Plan** ***U.S. Labor Department Investigation Reveals \$7 Million in Unpaid Health Claims***

**SAN FRANCISCO** – The U. S. Department of Labor has obtained a consent judgment appointing an independent fiduciary to take over administration of the health plan of a defunct West Hills-based union. The department sued the president of the International Union for Natural Health, Alternative and Complementary Medicine Professions (IUNHCAMP) and three plan trustees for mismanagement that resulted in an estimated \$7 million in unpaid health care claims.

The judgment, entered in U. S. District Court in Los Angeles, settles the November 2003 suit that alleged that IUNHCAMP president Steven Gorman and the plan trustees violated the Employee Retirement Income Security Act (ERISA). The defendants allegedly failed to charge health plan participants adequate premium rates and to implement appropriate medical underwriting guidelines. The suit also alleged that Gorman's involvement with the IUNHCAMP health benefits plan violated a September 2000 court order barring him from any fiduciary involvement with any employee benefit plan subject to ERISA.

Plan trustees named as defendants included: Henry Golden of West Hills, Willard Green of Virginia and Jeffrey Langlois of Wisconsin. The judgment permanently bars all defendants from positions as fiduciary of any plan covered by ERISA.

Shortly before the health plan ceased operations, it was providing medical and dental benefits to approximately 4,500 participants in California, New York, Washington, Alaska, Georgia, Florida, Alabama, Arkansas, Texas, Tennessee and Vermont.

On Feb. 9, 2004, the court issued a final order and judgment in a separate, private class action suit filed by former participants in the IUNHCAMP Health and Welfare Trust awarding a \$6 million judgment against Golden, Green and Langlois. The former plan participants are litigating against the trustees' fiduciary liability insurance to recoup policy proceeds to pay the unpaid claims.

The Los Angeles office of the U. S. Labor Department's Employee Benefits Security Administration (EBSA) investigated the case. Employees may contact EBSA if they are unable to get timely responses from their plan administrator regarding payment of claims. Employers and workers can reach EBSA at (626) 229-1000 or at a toll-free number, **1-866-444-3272**, for information and assistance relating to private-sector pension and health plans.

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(Chao v. IUNHCAMP)  
Civil Action No. 03-8422